

**OFFICE OF INDEPENDENT BUDGET ANALYST
CITY OF SAN DIEGO
M E M O R A N D U M**

Date: January 13, 2009

To: Honorable Council President Ben Hueso and Members of the City Council

From: Andrea Tevlin, Independent Budget Analyst

Subject: Monthly Update on Contract with Actuarial Service Company, P.C.

On February 5, 2008, the City Council approved the Agreement with Actuarial Service Company, P.C. (Company) to provide anticipated actuarial consulting services and analyses related to the City's retirement system for an amount not to exceed \$152,000. At that time, the Council directed the IBA to provide a monthly status update and review of the Actuarial Contract.

During the month of December 2008, no work was performed for the City of San Diego by Actuarial Service Company, P.C. The table below shows the expenses and balance remaining on the contract.

Actuarial Services Contract Breakdown			
	Mayor/Council/IBA	City Attorney	COMBINED
Expended	\$ 92,722.39	\$ 34,721.60	\$ 127,443.99
Remaining	\$ 9,701.46	\$ 15,278.40	\$ 24,979.86
TOTAL CONTRACT VALUE	\$ 102,423.85	\$ 50,000.00	\$ 152,423.85

However, notwithstanding funds left on the contract, the IBA would note that the contract term expired on December 31, 2008, so no further work should be authorized or performed with the actuary until a new contract is established. The IBA has inquired with the Financial Management Department as to the plans to bring a contract renewal or RFP forward for future services. We will provide an update when available.

cc: Jay Goldstone, COO
Mary Lewis, CFO
Nader Tirandazi, Financial Management Director